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South Dakota
Labor Bulletin

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THE NATIONAL UNEMPLOYMENT RATE IN REVIEW

The national unemployment rate, well known to the public, is released by the Bureau of Labor Statistics of the U.S. Department of Labor. It receives wide coverage by the press. What does this number really mean? How is the national number computed? An explanation of what the unemployment number is and how it affects citizens, employed or unemployed, follows:

Why the Government collects statistics on the unemployed

When workers are unemployed, both workers and their families lose wages and the country loses goods or services which could have been produced. When many people are unemployed a decline in purchasing power can lead to unemployment for other workers and cause additional problems for the country as a whole.

Facts must be obtained to answer questions such as: How many people are unemployed? How did they become unemployed? Are numbers growing or declining? Are they men or women, old or young? Are they skilled or unskilled? How long have they been unemployed? Is unemployment concentrated in areas?

After answers are found they are interpreted--together with other economic facts--and are used as a basis for deciding what measures should be taken to help keep the labor force at maximum employment.

The Bureau of Labor Statistics does not count every unemployed person in every month. To do this every home in the country would have to be contacted. This procedure would cost too much and take too long. People would grow tired of having this type of census taker come to their homes every month.

These widely publicized figures on unemployment and the unemployment rate are obtained from a survey called the Current Population Survey (CPS). Conducted monthly by the Bureau of the Census, the CPS is the largest national monthly household survey of its type in the world. About 58,000 households are contacted throughout the United States.

How the CPS is conducted

Each month a group of 1,000 highly trained and experienced employees of the Census Bureau contact responsible members of the sample households selected for the survey, the first month in person and subsequent months by telephone. Each month one-fourth of the households in the sample are replaced so that no family is interviewed more than four consecutive months. This avoids placing too heavy a burden on the families selected for the sample. After a household is interviewed for four months it is dropped for eight months and then is interviewed for four more months before being dropped from the sample for good.

The households selected for the survey come from 461 areas throughout the country, with coverage in every state and the District of Columbia. The sample is designed to represent different geographic areas of the country in proportion to the relative sizes of their respective populations.

(THE NATIONAL UNEMPLOYMENT RATE IN REVIEW CONTINUED)

Based on the results of the sample survey, every person aged 16 years or over in the civilian, non-institutional population is classified each month as either employed, unemployed or not in the labor force.

The basic concepts involved in employment and unemployment are quite simple:

1. People with jobs are employed.
2. People who are jobless, are looking for jobs, and are available for work are unemployed.

Next month we will discuss how people are classified as employed or unemployed, including who is not in the labor force, cases of overlap, seasonal adjustment and a measure of underemployment. Input in addition to the CPS that goes into computing the unemployment rate of individual states, such as South Dakota, will also be addressed.

EMPLOYMENT FACTS

The South Dakota labor market continued to improve in September according to several indicators. The unemployment rate dipped to 4.2 percent, from the 4.4 percent revised August rate, and the number of nonfarm payroll jobs in the state expanded by 2,500. The average factory work week also increased by 18 minutes. The count of initial claims for unemployment compensation dropped to 1,242 in September from 1,490 in August and 2,005 in September 1982. The reduced number of claims during recent months caused the balance in the unemployment trust fund to rise to $11.5 million from $8.8 million one year ago.

The September unemployment rate of 4.2 percent compares to a revised rate of 4.4 percent in August and 7.7 percent in January and February of this year. It was also improved from the 4.9 percent rate recorded one year ago. The total number of unemployed workers declined to 14,000 in September from 24,100 in January and 16,400 one year ago in September. Total employment, however, has not shown a commensurate increase. The September total of 316,500 was down 1.2 percent from one year ago. This may be due to fewer hired farm workers being employed this season because of acreage reductions under the PIK program.

The average work week for manufacturing production workers in South Dakota was 41.4 hours in September compared with 41.1 hours in August. It is also well ahead of the year-ago average of 38.3 hours. At the same time, the average hourly wage for these workers increased from $7.16 one year ago to $7.27 this September. The result was a gross weekly wage of $300.98 in September compared with $274.23 last year.

NONAGRICULTURAL WAGE AND SALARIED EMPLOYMENT

A seasonal increase in employment in the education sector and the end of the Northwestern Bell strike caused nonfarm payroll employment to rise to 237,800 in September. This was a 1.5 percent increase or 3,400 more jobs than in August.

The September figure of 237,800 is up 2.5 percent or 5,700 more jobs than one year ago. Part of the total yearly increase is simply a readjustment of 1,300 miners within the mining industry. A year ago more than 1,300 Homestake miners were on strike. (Persons on strike are not counted as employed.) The constuction industry had the largest percentage actual increase in employment among the major industries during the past year, up 18.4 percent or 1,600 for a total of 10,300 jobs. Manufacturing employment in the durable goods sector also showed a good gain over the past year, up 16 percent or 1,900 for a total of 13,800 jobs this September.

SOUTH DAKOTA 1983 UNEMPLOYMENT RATE

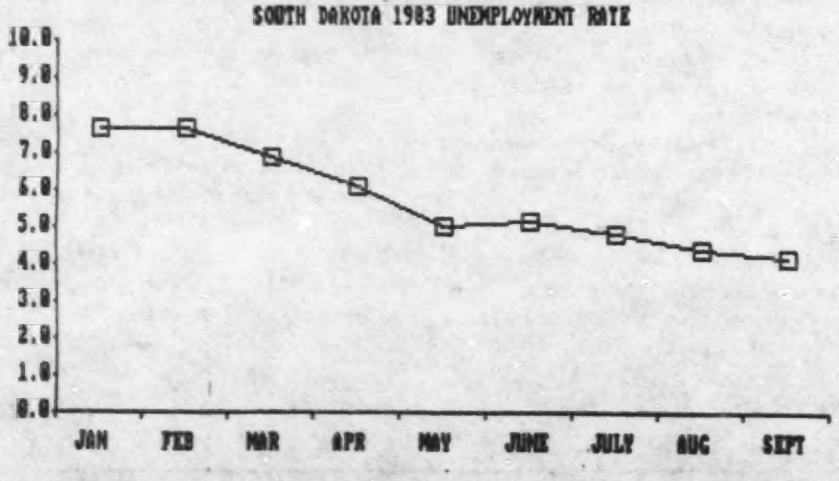


TABLE 1

LABOR FORCE / EMPLOYMENT / UNEMPLOYMENT

	September 1983 (1)				September 1982			
	Labor Force(2)	Employment	Unemployment	Rate	Labor Force(2)	Employment	Unemployment	Rate
United States	112 197 000	102 366 000	9 830 000	8.8 (3)	110 546 000	99 851 000	10 695 000	9.7 (3)
South Dakota	330 500	316 500	14 000	4.2	336 800	320 400	16 400	4.9
Sioux Falls MSA	63 132	60 830	2 302	3.6	63 629	60 865	2 764	4.3
Aurora	1 549	1 523	26	1.7	1 744	1 551	193	11.1
Beadle	9 185	8 761	424	4.6	10 167	9 738	429	4.2
Bennett	1 318	1 235	83	6.3	1 326	1 292	34	2.6
Bon Homme	3 523	3 431	92	2.6	3 661	3 529	132	3.6
Brookings	15 023	13 906	1 117	7.4	15 109	14 204	905	6.0
Brown	18 828	17 920	908	4.8	19 652	18 639	1 013	5.2
Brule	3 158	3 063	95	3.0	3 219	3 110	109	3.4
Buffalo	461	415	46	10.0	541	437	104	19.2
Butte	3 862	3 717	145	3.8	4 167	3 923	244	5.9
Campbell	905	879	26	2.9	961	919	42	4.4
Charles Mix	3 849	3 686	163	4.2	4 130	3 922	208	5.0
Clark	2 120	2 052	68	3.2	2 089	2 021	68	3.3
Clay	6 144	5 867	277	4.5	6 312	6 013	299	4.7
Codington	9 601	9 056	545	5.7	10 328	9 502	826	8.0
Corson	1 416	1 293	123	8.7	1 428	1 311	117	8.2
Custer	2 657	2 573	84	3.2	2 848	2 727	121	4.2
Davison	9 238	8 935	303	3.3	9 440	9 115	325	3.4
Day	3 153	3 036	117	3.7	3 238	3 062	176	5.4
Deuel	2 311	2 201	110	4.8	2 251	2 156	95	4.2
Dewey	1 841	1 692	149	8.1	1 850	1 666	184	9.9
Douglas	1 862	1 818	44	2.4	1 877	1 805	72	3.8
Edmunds	2 028	1 945	83	4.1	2 144	2 027	117	5.5
Fall River	3 268	3 145	123	3.8	3 213	3 053	160	5.0
Faulk	1 340	1 235	105	7.8	1 506	1 448	58	3.9
Grant	4 727	4 562	165	3.5	4 434	4 232	202	4.6
Gregory	2 510	2 464	46	1.8	2 649	2 584	65	2.5
Haakon	1 243	1 206	37	3.0	1 363	1 271	92	6.7
Hamlin	1 978	1 895	83	4.2	2 065	1 950	115	5.6
Hand	2 157	2 085	72	3.3	2 088	2 055	33	1.6
Hanson	1 195	1 155	40	3.3	1 143	1 098	45	3.9
Harding	779	764	15	1.9	777	757	20	2.6
Hughes	7 579	7 307	272	3.6	7 521	7 246	275	3.7
Hutchinson	4 357	4 219	138	3.2	4 287	4 167	120	2.8
Hyde	897	873	24	2.7	828	809	19	2.3
Jackson	1 219	1 157	62	5.1	1 097	1 039	58	5.3
Jerauld	1 317	1 302	15	1.1	1 356	1 330	26	1.9
Jones	664	651	13	2.0	699	688	11	1.6
Kingsbury	3 380	3 285	95	2.8	3 478	3 349	129	3.7
Lake	5 210	5 019	191	3.7	5 590	5 305	285	5.1
Lawrence	9 153	8 711	442	4.8	8 470	7 798	672	7.9
Lincoln	6 210	6 001	209	3.4	6 158	5 844	314	5.1
Lyman	1 523	1 470	53	3.5	1 546	1 482	64	4.1
McCook	2 958	2 798	160	5.4	3 084	2 961	123	4.0
McPherson	1 655	1 598	57	3.4	1 642	1 594	48	2.9
Marshall	1 984	1 900	84	4.2	2 156	1 980	176	8.2
Meade	5 927	5 676	251	4.2	5 802	5 520	282	4.9
Mellette	824	780	44	5.3	736	689	47	6.4
Miner	1 661	1 632	29	1.7	1 758	1 693	65	3.7
Minnehaha	63 132	60 830	2 302	3.6	63 629	60 865	2 764	4.3
Moody	3 606	3 435	171	4.7	3 572	3 460	112	3.1
Pennington	37 213	35 578	1 635	4.4	37 905	36 045	1 860	4.9
Perkins	2 274	2 237	37	1.6	2 257	2 195	62	2.7
Potter	1 835	1 745	90	4.9	1 894	1 832	62	3.3
Roberts	4 157	4 012	145	3.5	4 267	4 021	246	5.8
Sanborn	1 344	1 278	66	4.9	1 361	1 294	67	4.9
Shannon	2 738	2 457	281	10.3	2 773	2 435	338	12.2
Spink	3 710	3 618	92	2.5	3 976	3 853	123	3.1
Stanley	1 179	1 131	48	4.1	1 047	1 011	36	3.4
Sully	724	704	20	2.8	756	734	22	2.9
Todd	2 044	1 890	154	7.5	1 930	1 687	243	12.6
Tripp	3 397	3 276	121	3.6	3 336	3 260	76	2.3
Turner	4 137	3 961	176	4.3	4 079	3 931	148	3.6
Union	6 094	5 788	306	5.0	6 859	6 506	353	5.1
Walworth	3 023	2 907	116	3.8	3 046	2 881	165	5.4
Yankton	8 998	8 679	319	3.5	9 260	8 930	330	3.6
Ziebach	1 122	1 063	59	5.3	970	888	82	8.5

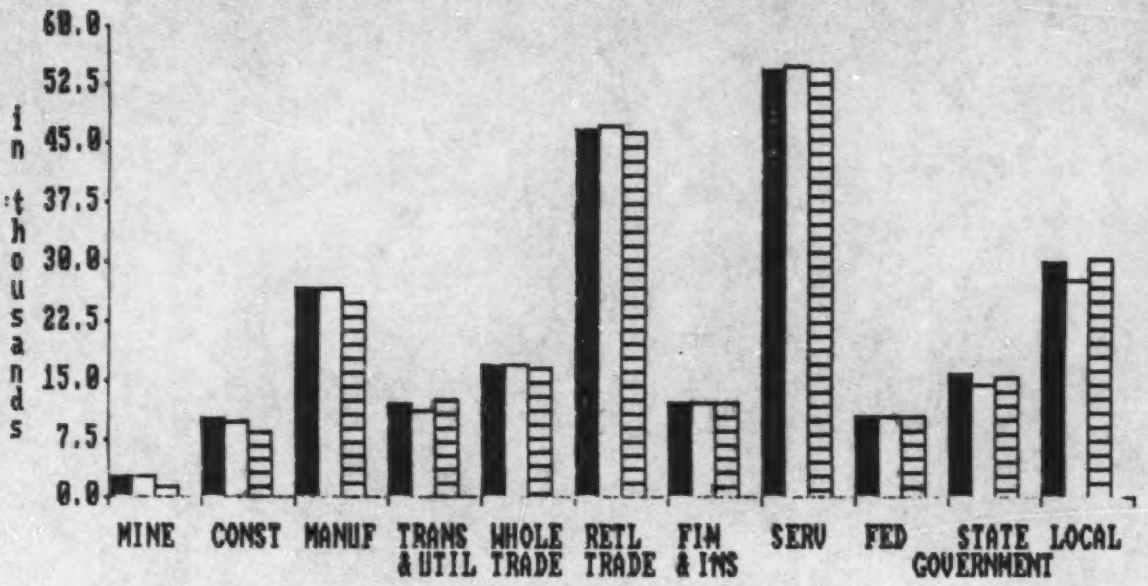
(1) Preliminary data subject to revision.

(2) Labor Force estimates include employed and unemployed civilians 16 years old and older by place of residence.

(3) The seasonally adjusted rates which were announced by the national government were 9.5 and 9.9. The data in this table are not seasonally adjusted.

TABLE 2

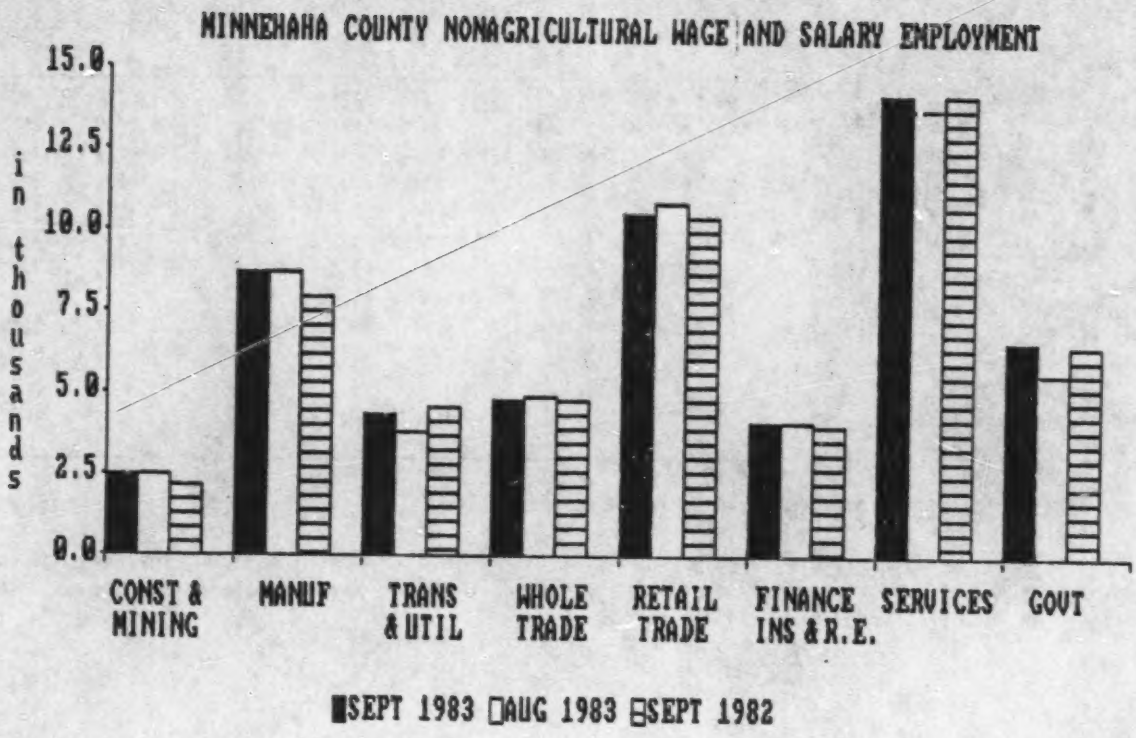
SOUTH DAKOTA NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT



■SEPT 1983 □AUG 1983 ⊟SEPT 1982

	Sept. 1983	Aug. 1983	Sept. 1982	Percent Change From Last Month	Percent Change From Last Year
TOTAL	237,800	234,400	232,100	1.5	2.5
MINING	2,900	3,000	1,600	-3.3	81.3
CONSTRUCTION	10,300	10,100	8,700	2.0	18.4
MANUFACTURING	26,800	26,700	24,800	.4	8.1
Durable Goods	13,800	14,000	11,900	-1.4	16.0
Fabricated Metals & Machinery	9,000	9,000	7,200	.0	25.0
Nondurable Goods	13,000	12,700	12,900	2.4	.8
Food & Kindred Products	7,700	7,500	8,100	2.7	-4.9
Paper, Printing & Publishing	2,500	2,500	2,500	.0	.0
TRANSPORTATION AND PUBLIC UTILITIES	12,300	11,200	12,600	9.8	-2.4
Transportation	6,900	6,500	7,000	6.2	-1.4
Communication & Public Utilities	5,400	4,700	5,600	14.9	-3.6
WHOLESALE AND RETAIL TRADE	63,500	64,100	62,700	-.9	1.3
Wholesale Trade	16,800	17,000	16,400	-1.2	2.4
Durable Goods	7,600	7,800	7,500	-2.6	1.3
Nondurable Goods	9,200	9,200	8,900	.0	3.4
Retail Trade	46,700	47,100	46,300	-.8	.9
FINANCE, INSURANCE AND REAL ESTATE	12,100	12,100	12,000	.0	.8
SERVICES	54,000	54,700	54,100	-1.3	-.2
Hotels, Amuse., Pers. & Business	15,100	15,900	15,000	-5.0	.7
Medical and Health	22,000	22,200	21,900	-.9	.5
Educational, Membership & Social	13,800	13,300	14,300	3.8	-3.5
GOVERNMENT	55,900	52,500	55,600	6.5	.5
Federal	10,400	10,500	10,200	-1.0	2.0
State	15,600	14,400	15,200	8.3	2.6
State Education	7,400	5,900	7,300	25.4	1.4
Local	29,900	27,600	30,200	8.3	-1.0
Local Education	16,600	12,500	16,700	32.8	-.6

TABLE 2 (Continued)



	Sept. 1983	Aug. 1983	Sept. 1982	Percent Change From Last Month	Percent Change From Last Year
TOTAL	56,300	54,800	55,100	2.7	2.2
CONSTRUCTION AND MINING	2,600	2,600	2,200	.0	18.2
MANUFACTURING	8,700	8,700	8,000	.0	8.8
TRANSPORTATION AND PUBLIC UTILITIES	4,400	3,900	4,600	12.8	-4.3
TRADE	15,400	15,800	15,300	-2.5	.7
Wholesale Trade	4,800	4,900	4,800	-2.0	.0
Retail Trade	10,600	10,900	10,500	-2.8	1.0
FINANCE, INSURANCE AND REAL ESTATE	4,200	4,200	4,100	.0	2.4
SERVICES	14,300	13,900	14,300	2.9	.0
GOVERNMENT	6,700	5,700	6,600	17.5	1.5

The figures in Table 2 include almost all nonfarm wage earners (full-time and part-time) but exclude the self-employed. They are derived from a monthly sample survey of South Dakota nonagricultural establishments and include workers on the payroll for the week including the 12th of the month. This table compares the current month's employment totals of the major industry groups to the totals of the previous month and year.

TABLE 3

HOURS AND EARNINGS PRODUCTION WORKERS*

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	Sept. 1983	Aug. 1983	Sept. 1982	Sept. 1983	Aug. 1983	Sept. 1982	Sept. 1983	Aug. 1983	Sept. 1982
South Dakota Statewide									
Manufacturing.....	$300.98	$296.74	$274.23	41.4	41.1	38.3	$7.27	$7.22	$7.16
Durable Goods.....	285.38	286.60	266.11	41.3	41.9	39.6	6.91	6.84	6.72
Nondurable Goods.....	317.89	308.74	281.20	41.5	40.2	37.0	7.66	7.68	7.60
Sioux Falls SMSA									
Manufacturing.....	355.21	344.21	302.68	46.8	44.3	37.6	7.59	7.77	8.05

*Average hours and earnings for production-related workers.

The figures in this table are for production-related workers in the manufacturing industry. The earnings estimates are based on gross pay before deductions and include pay for overtime, holidays, vacations, and sick leave. They exclude bonuses (unless earned and paid regularly each pay period).

TABLE 4

CONSUMER PRICE INDEX

ALL URBAN CONSUMERS

1967=100	Aug. 1983	July 1983	Aug. 1982	Percent Change From Last Month	Percent Change From Last Year
All Items.....	300.3	299.3	292.8	.3	2.6
Food & Beverages....	284.9	284.7	279.9	.1	1.8
Housing.....	324.8	324.5	320.1	.1	1.5
Apparel.....	197.3	195.0	191.8	1.2	2.9
Transportation.....	302.4	300.4	296.2	.7	2.1
Medical Care.....	360.0	357.7	333.3	.6	8.0
Entertainment.....	246.6	246.0	237.4	.2	3.9

The Consumer Price Index is a widely watched national indicator of inflation. It is a measure of change, over time, in the prices of goods and services in major expenditure groups typically purchased by urban consumers. It measures the change in prices by comparing what a sample "market basket" of goods and services costs today with what the same sample "market basket" cost at an earlier date.

TABLE 5

CHARACTERISTICS OF THE INSURED UNEMPLOYED[1] - STATEWIDE

	Number			Percent		
	Sept. 1983	Aug. 1983	Sept. 1982	Sept. 1983	Aug. 1983	Sept. 1982
Sex, Total	1 378	2 492	3 918	100.0	100.0	100.0
Male	738	1 244	2 432	53.6	49.9	62.1
Female	640	1 248	1 486	46.4	50.1	37.9
Race, Total	1 378	2 492	3 918	100.0	100.0	100.0
White	1 197	2 045	3 122	86.9	82.1	79.7
Nonwhite	181	447	796	13.1	17.9	20.3
Age, Total	1 378	2 492	3 918	100.0	100.0	100.0
Under 45	1 006	1 838	3 024	73.0	73.8	77.2
Over 45	372	654	894	27.0	26.2	22.8
[2] Industry, Total	1 378	2 492	3 918	100.0	100.0	100.0
Mining	14	31	472	1.0	1.2	12.1
Construction	133	201	404	9.7	8.1	10.3
Manufacturing	247	436	1 203	17.9	17.5	30.7
Transportation & Public Utilities	52	80	156	3.8	3.2	4.0
Trade	383	681	718	27.8	27.3	18.3
Finance, Insurance & Real Estate	46	67	81	3.3	2.7	2.1
Services	345	758	694	25.0	30.4	17.7
Government	158	238	190	11.5	9.6	4.8
[2] Occupation, Total	1 378	2 492	3 918	100.0	100.0	100.0
Professional & Managerial	276	518	580	20.0	20.8	14.8
Clerical and Sales	353	589	652	25.6	23.6	16.6
Services	197	434	415	14.3	17.4	10.6
Processing	76	133	167	5.5	5.3	4.3
Machine Trade	68	109	363	4.9	4.4	9.3
Benchwork	68	111	529	4.9	4.5	13.5
Structural Work	190	340	656	13.9	13.6	16.7
Other	150	258	556	10.9	10.4	14.2
Duration of Current Spell of Unemployment						
Total	1 378	2 492	3 918	100.0	100.0	100.0
1-2 Weeks	246	361	575	17.9	14.5	14.7
3-4 Weeks	217	281	538	15.7	11.3	13.7
5-14 Weeks	518	1 225	1 874	37.6	49.2	47.8
15 Weeks & Over	397	625	931	28.8	25.1	23.8

[1] The insured unemployed are those unemployed persons who had worked for employers covered by South Dakota's Unemployment Insurance Laws, and who are eligible for unemployment compensation.

[2] Refers to industry and occupation involvement prior to unemployment.

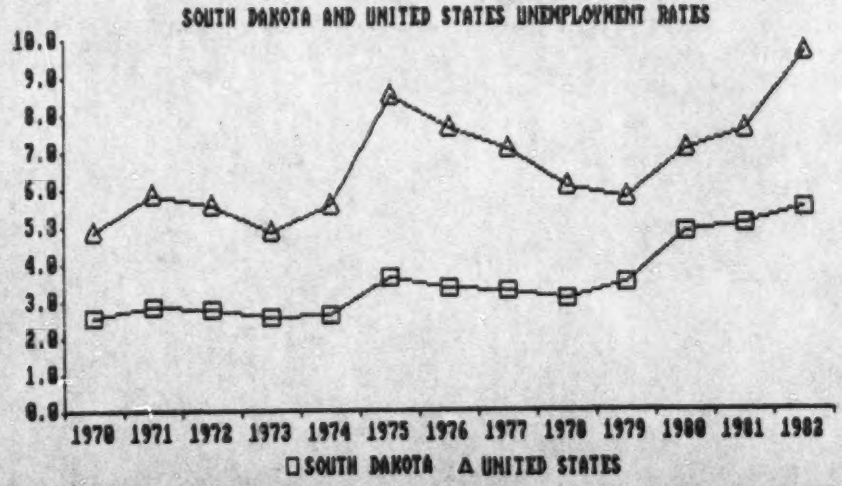


TABLE 6

SELECTED LABOR DEPARTMENT ACTIVITIES - STATEWIDE

	Sept. 1983	Aug. 1983	Sept. 1982	Percent Change From Last Month	Percent Change From Last Year
UNEMPLOYMENT INSURANCE					
A. Initial Claims	1 242	1 490	2 005	-16.6	-38.1
B. Weeks Claimed	6 182	11 212	20 252	-44.9	-69.5
C. Amount of Benefit Payments	$971 141	$1 009 181	$1 742 380	-3.8	-44.3
D. Unemployment Trust Fund Balance	$11 519 300	$12 213 800	$8 772 100	-5.7	31.3
JOB SERVICE					
E. Applicants Available (New and Renewals)	6 330	3 270	4 471	93.6	41.6
F. Nonag Placements	4 393	4 373	3 392	-3.9	29.5
G. Nonag Job Openings	3 681	4 881	3 455	-24.6	6.5

The data in this table are taken from the records of the State unemployment insurance program and the State Job Service system.

A. Initial Claims - The total number of first claims for unemployment compensation.

B. Weeks Claimed - The total number of weeks for which claimants received compensation under the State Unemployment Insurance Program.

C. Amount of Benefit Payments - The total amount of money paid to claimants through our State Program.

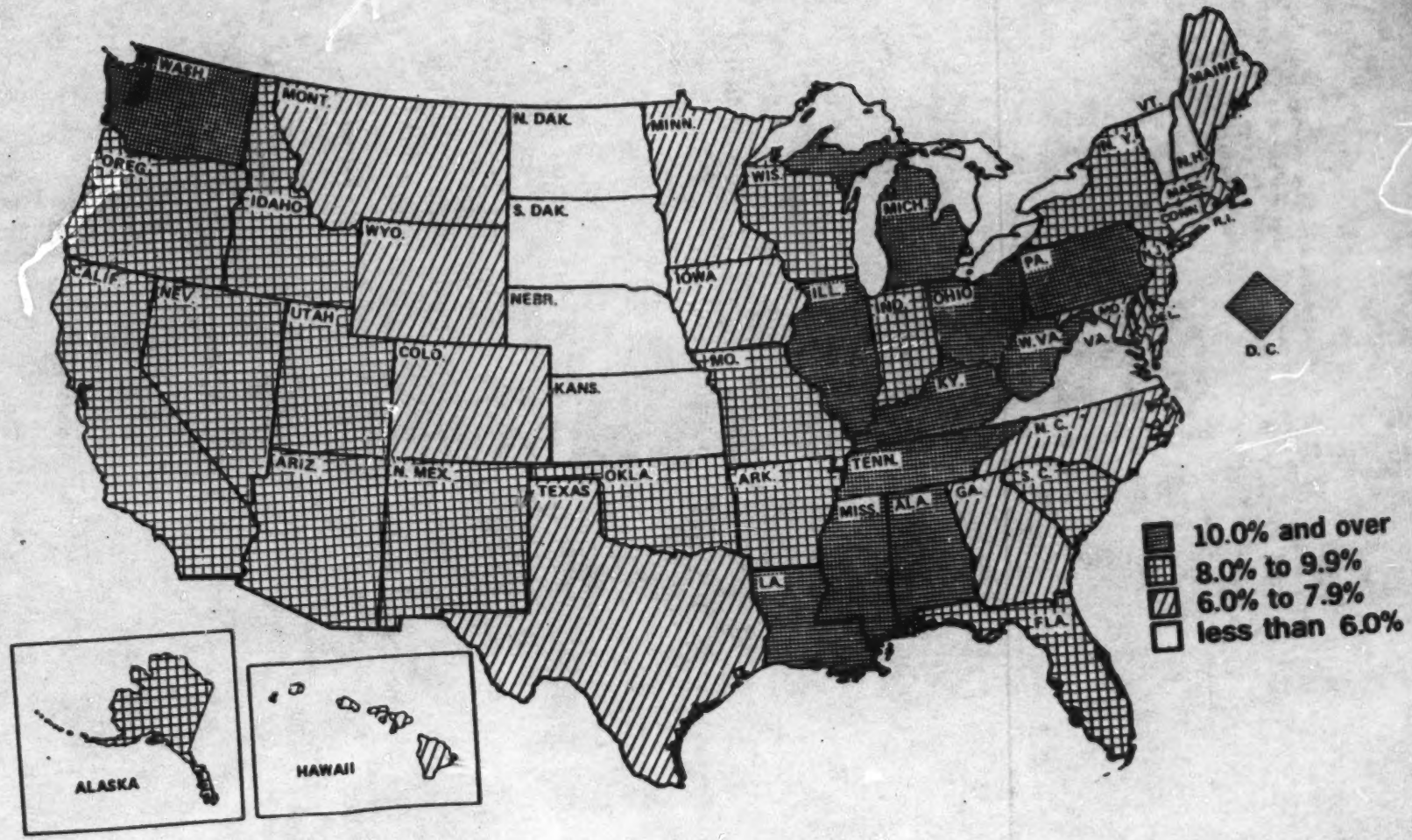
D. Unemployment Trust Fund Balance - The fund to which all required Unemployment Insurance Taxes are paid and from which all benefits to claimants are paid.

E. Applicants Available (New and Renewals) - The total number of different individuals who registered or renewed their applications for work at Job Service offices in the State.

F. Nonag Placements - A count of the number of times during the month that Job Service applicants were hired by nonfarm employers.

G. Nonag Job Openings - A count of new job openings received during the month by South Dakota Job Service offices from nonfarm employers.

Unemployment Rates by State, August 1983



The Research and Statistics Section of the South Dakota Department of Labor collects, analyzes and publishes information concerning the economy, labor market and population characteristics. This information can be very important to economic developers; social and training program planners; business, education and government administrators.

LABOR MARKET INFORMATION AVAILABLE

DID YOU KNOW???

DID YOU KNOW IN SOUTH DAKOTA:

- The national median home value as recorded in the 1980 census was $47,200, South Dakota's median home value was $36,600; and
- The national median monthly contract rent was $198. The median monthly contract rent in South Dakota was $148; and
- The averages for the median home value and rent for the West North Central region were $41,700 and $173 respectively. The following states make up this region: Minnesota, Iowa, Missouri, North Dakota, South Dakota, Nebraska and Kansas.

(These facts are found in the U.S. Summary, General Housing Characteristics, 1980 census publication HC80-1-A-1).

DID YOU KNOW:

- South Dakota's population density per square mile in 1980 was 9.1 persons, the same as recorded in the 1930 census; and
- This density ranged from a high of 135.1 persons in Minnehaha County to a low of 0.6 persons in Ziebach County.

(These facts can be found in the South Dakota Annual Planning Report 1983, a South Dakota Department of Labor publication.)

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